

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

IN RE: DEALER MANAGEMENT SYSTEMS
ANTITRUST LITIGATION

MDL No. 2817
Case No. 18 C 864

This Document Relates to All Cases

Hon. Robert M. Dow, Jr.
Magistrate Judge Jeffrey T. Gilbert

**DECLARATION OF PEGGY J. WEDGWORTH IN SUPPORT OF DEALERSHIP
CLASS PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF SETTLEMENT
BETWEEN DEALERSHIP CLASS PLAINTIFFS AND DEFENDANT THE REYNOLDS
AND REYNOLDS COMPANY AND FOR CONDITIONAL CERTIFICATION OF THE
PROPOSED SETTLEMENT CLASS**

I, Peggy J Wedgworth, pursuant to 28 U.S.C. § 1746, declare as follows:

1. I am a partner with the law firm of Milberg Tadler Phillips Grossman LLP, and I represent Dealership Class Plaintiffs in the above-captioned matter as Dealership Interim Lead Class Counsel and MDL Co-Lead Counsel ("Dealership Class Counsel"). I respectfully submit this declaration in support of Dealership Class Plaintiffs' Motion for Preliminary Approval of Settlement Between Dealership Class Plaintiffs and Defendant The Reynolds and Reynolds Company And For Conditional Certification Of The Proposed Settlement Class.

2. I have personal knowledge of the matters set forth herein, and could and would testify competently thereto if called upon to do so.

3. I respectfully submit this Declaration in Support of Dealership Class Plaintiffs' Motion to (a) preliminarily approve a settlement ("Settlement") reached with Defendant The Reynolds and Reynolds Company and its predecessors, successors, subsidiaries, joint ventures or affiliates ("Reynolds"); and (b) to conditionally certify the Settlement Class.

4. On behalf of Dealership Class Plaintiffs ("Dealership Plaintiffs"), I personally conducted settlement negotiations with counsel for Reynolds over the course of several weeks, including at a full-day mediation on September 25, 2018. At the mediation's conclusion, the

parties' counsel signed a Memorandum of Understanding ("MOU"). Counsel signed the proposed settlement agreement on October 23, 2018.

5. Counsel for Dealership Plaintiffs performed a substantial amount of pre-filing investigation early in the case, investigating the alleged conspiracy, the Dealer Management System ("DMS") and Data Integration Services ("DIS") markets, as well as Reynolds's and CDK Global, LLC's (collectively "Defendants") conduct underlying the allegations at issue. In filing the Consolidated Class Action Complaint ("Complaint") on June 4, 2018 (ECF No. 184), Dealership Class Counsel and the Plaintiffs Steering Committee ("PSC") reviewed thousands of documents and conducted additional extensive investigation of the claims and parties at issue, as evidenced by the 172 page Complaint with accompanying 61 exhibits. Reynolds and CDK each filed motions to dismiss the Complaint, Dealership Plaintiffs submitted more than 100 pages of briefing in opposition, and Defendants filed reply briefs (ECF Nos. 253, 255, 256, 262, 265, 266, 357, 358, 374, 376). Dealership Plaintiffs have obtained substantial discovery from Reynolds and CDK, as well as third parties, and have continued their factual investigation into the conspiracy alleged in the Complaint.

6. The resulting Settlement negotiations with Reynolds were at arm's length and were hard-fought at all times. The Settlement was the product of intensive negotiations conducted over a period of several weeks, and a mediation lasting twelve hours. Dealership Class Counsel and Reynolds' counsel, all highly experienced and capable attorneys, vigorously advocated their respective clients' positions throughout the Settlement negotiations. The parties debated many issues and negotiated the terms of the Settlement, both during and after the mediation.

7. During the course of this litigation, Dealership Class Counsel and the PSC researched, analyzed, and evaluated many contested legal and factual issues. Based on that analysis, and the information obtained from discovery, Dealership Class Counsel was well-informed of the facts and the benefits, and risks and consequences of the proposed Settlement

with Reynolds. Counsel thoroughly evaluated the relative strengths and weaknesses of the parties' respective litigation positions in relation to the Settlement.

8. I have negotiated many settlements during my career, and in my opinion, the proposed Settlement with Reynolds is fair, reasonable, and adequate. The Settlement provides substantial benefits to the Class, and avoids the delay and uncertainty of continuing protracted litigation with Reynolds.

9. A true and correct copy of the Settlement Agreement between the Dealership Class and Reynolds, fully executed on October 23, 2018, is attached hereto as Exhibit 1 to this Declaration.

10. A true and correct copy of the [Proposed] Preliminary Approval Order for Settlement between the Dealership Class and Reynolds ("Proposed Preliminary Approval Order") is attached to the Settlement Agreement (Exhibit 1) as Exhibit A.

11. True and correct copies of the [Proposed] Mail Notice, [Proposed] Long-Form Posted Notice, and [Proposed] Publication Notice are attached to the Proposed Preliminary Approval Order (Exhibit A) as, respectively, Exhibits 1, 2, and 3.

12. A true and correct copy of the [Proposed] Final Approval Order and Judgment for Settlement Between Dealership Class and Reynolds is attached to the Settlement Agreement (Exhibit 1) as Exhibit B.

13. A true and correct copy of the Order dated February 18, 1998, in *In re Brand Name Prescription Drugs Antitrust Litig.*, No. 94-cv-897, MDL 997 (N.D. Ill. Feb. 18, 2018), is attached hereto as Exhibit a.

14. A true and correct copy of the Order Granting Direct Purchaser Class Plaintiffs' Motion for the Advancement of Litigation Expenses From Settlement Funds, dated February 18, 2011, in *In re TFT-LCD (Flat Panel) Antitrust Litig.*, No. 07-MD-1827 (N.D. Cal. Feb. 18, 2018), is attached hereto as Exhibit b.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge and belief.

Executed on this 23rd day of October at Birmingham, Alabama.

/s/ Peggy J. Wedgworth
Peggy J. Wedgworth